



JON M. HUNTSMAN, JR.
Governor
GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

Inspection Report

Minerals Regulatory Program

November 4, 2008

Reviewed: LR

Mine Name: Black Butte
Operator Name: GoldTerra

Permit number: S0150080
Inspection Date: October 16, 2008
Time: About 4:30-6:00 PM

Inspector(s): Paul Baker
Other Participants: None
Mine Status: Inactive

Weather: Mostly clear, 60s

Elements of Inspection	Evaluated	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds, Permit Fees	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Public Safety (shafts, adits, trash, signs, highwalls)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Protection of Drainages / Erosion Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Deleterious Material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Roads (maintenance, surfacing, dust control, safety)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Concurrent Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Soils	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Purpose of Inspection:

Brett Gregory, an intern working for the Division, inspected this site on July 28, 2008, and noticed several trenches. I wanted to verify this information and map the trenches to see how much land had been disturbed and where these trenches were in relation to the permitted mine disturbance and to section lines.

Inspection Summary:

1. Permits, Revisions, Transfer, Bonds, Permit Fees

On November 16, 2007, the Division approved an update to the reclamation plan which changed the disturbed area acreage from five acres to one acre. The Division holds a reclamation surety of \$5400.00 which is adequate for one acre.

7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes)

The attached map shows the trenches I was able to map. After taking data for these trenches, the satellite configuration changed enough that I was no longer able to collect points, so I did not complete the mapping. There were about three trenches in addition to the 16 shown on the map.

The trenches were mostly about 20 feet wide, but one averaged about 40 feet. The actual widths varied, and these figures underestimate the actual disturbance areas. The trenches were mostly about 3-4 feet deep with deeper and shallower places. A pile of material had been pushed up at the end of each trench with some piles on the sides as well.

Inspection Date: October 16, 2008, 2008; Report Date: November 4, 2008

Page 2 of 3

Permit Number

Disturbance from the trenches shown on the map was conservatively estimated at 1.96 acres. I paced the length of three additional trenches, and they add about 0.22 acres for a total of 2.18 acres. The access road is estimated to be 0.17 acres bringing this total, not including the mine itself, to 2.35 acres. I have not tried to estimate the size of the mine itself.

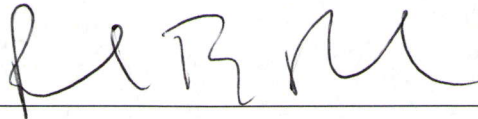
Conclusions and Recommendations:

The mine and the road should be no larger than one acre, and this is probably about right. Therefore, the total disturbance, including the trenches, the road, and the mine, is approximately three acres.

None of the disturbance associated with the trenches was permitted. The mine is supposed to be entirely within Section 2 of Township 20 South, Range 14 East, SLM, but the disturbance extends on to BLM land in Section 1.

I had planned to take enforcement action, but the operator's representative, Dan Sheppard, informed by voice and e mail on November 25, 2008, that the trenches have been regraded. The operator needs to seed the disturbed areas, and the Division and operator will need to monitor them for revegetation success. There is not a lot of vegetation in the area, but there is some. I recommended to the operator a seed mix that includes mat saltbush, Castle Valley clover, and Indian ricegrass.

Inspector's Signature



PBB

cc: Dan Sheppard, GoldTerra
Will Stokes, SITLA
Chris Conrad, Price BLM

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Photo 1. This and Photo 2 show two of the trenches.



Photo 2.



Photo 3. The piles across the center of this photo are associated with trenches.



Photo 4. One of the trenches is near the foreground, and the piles in the center-left of the photo are connected with other trenches.

Mine Number: S0150080
Mine Name: Black Butte
Township 20 S Range 14 E Section 02 SLBM

Inspection Date June 30, 2004
Map Produced by DKS

Acres Disturbed	2.13
Acres Regraded	0
Acres Seeded	0
Road Acres Disturbed	0

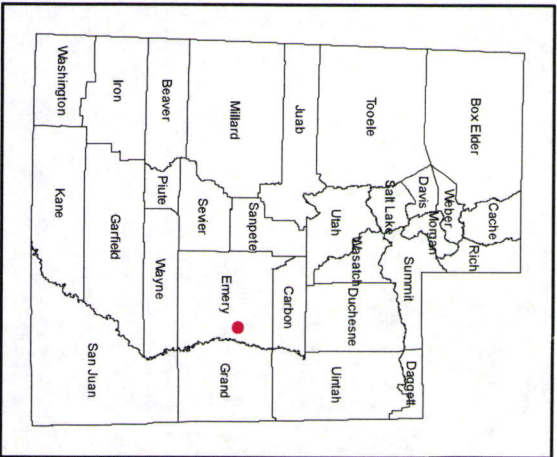
Total Acres Disturbed 2.13

Acres Released	0
Acres Excluded	0
Acres PreExisting	0
Acres Prelaw	0

Legend
All items symbolized in legend may not be appear on map

- County Boundary
- Access
- Mine
- Nonline
- Reclaimed
- Other
- Interstate
- US Route
- State Route
- Primary Route
- Secondary Route
- Main Dirt Road
- Unimproved Road
- Interchange
- Trail
- Township or range line
- Section line
- Section line: location doubtful
- Disturbed
- Regraded
- Seeded
- Released
- Excluded
- Prelaw
- Bond Area
- SITLA Mineral Leases
- BLMsalableMinerals
- CommunityPit
- SITLA Mineral Ownership

DOQ imagery date 2006



0 625
Feet

1:7,500 1 inch = 625 feet
Verify Scale

Dept. of Natural Resources
Division of Oil, Gas, and Mining
Mineral Mines Program

Different data sources and input scales
may cause misalignment of data layers.
This product may not meet DOGM
standards for accuracy and content.

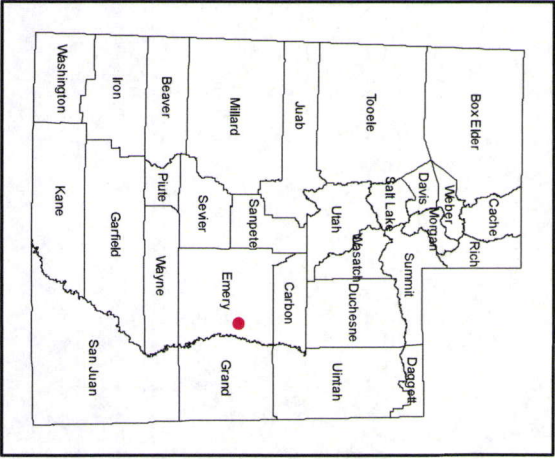
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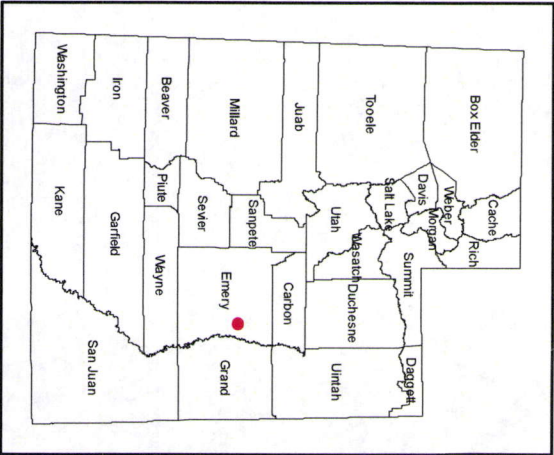
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Acres Prelaw	0

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